



# SOUTHEAST IDAHO

BANNOCK, BEAR LAKE, BINGHAM, CARIBOU, FRANKLIN, ONEIDA, & POWER COUNTIES

## EMPLOYMENT TRENDS

In August 2003, the Pocatello Metropolitan Statistical Area's (MSA) seasonally adjusted unemployment rate increased three-tenths of a percentage point to 5.5 percent. The August rate remained lower than one year earlier when it was 6.2 percent, a trend that has continued throughout 2003. The MSA's unemployment rate in August 2003 was two-tenths of a percentage point lower than the state unemployment rate of 5.7 percent and six-tenths of a percentage point lower than the U.S. unemployment rate of 6.1 percent.

*Nonfarm Payroll Jobs* increased five-tenths of a percentage point in August from July, a gain of 170 jobs. Most job gains were typical for this time of year and occurred in *Professional & Business Services* (150) and *Leisure & Hospitality* (170). *Professional & Business Services* include call centers and temporary staffing agencies. The increased jobs in this category reflect additional hiring at Convergys Customer Support Center in Pocatello and temporary summer jobs in *Agriculture, Manufacturing, and Retail Trade*. Year-over-year, *Nonfarm Payroll Jobs* increased 2.1 percent, a gain of 670 jobs. The *Goods-Producing Industries* suffered a loss of 40 jobs. While *Construction* gained 70 jobs, *Manufacturing* lost 110 jobs. The *Manufacturing* job losses occurred because of downsizing at Ballard-Kimberly Clark and SME Steel Contractors, the result of a slow national economy and the trend to move manufacturing jobs out of the United States to take advantage of inexpensive labor in other countries.

## SPECIAL TOPIC:

### Mid-year construction

Despite a slow and jobless economic recovery, low interest rates energized the construction industry. In Southeast Idaho, construction in the first half of 2003 exceeded the first half of 2002 by 46 percent, an increase of more than \$14.5 million. Increased construction activity

Southeast Idaho Table 1: Labor Force & Employment  
Pocatello City MSA (Bannock County)

	Aug 2003*	July 2003	Aug 2002	% Change From	
				Last Month	Last Year
<b>INDIVIDUALS BY PLACE OF RESIDENCE</b>					
<b>Seasonally Adjusted</b>					
Civilian Labor Force	39,930	40,560	39,040	-1.6	2.3
Unemployment	2,200	2,100	2,420	4.8	-9.1
% of Labor Force Unemployed	5.5	5.2	6.2		
Total Employment	37,730	38,460	36,620	-1.9	3.0
<b>Unadjusted</b>					
Civilian Labor Force	39,230	39,330	38,450	-0.3	2.0
Unemployment	2,110	1,940	2,330	8.8	-9.4
% of Labor Force Unemployed	5.4	4.9	6.1		
Total Employment	37,120	37,390	36,120	-0.7	2.8
<b>JOBS BY PLACE OF WORK</b>					
<b>Nonfarm Payroll Jobs** - NAICS</b>	32,340	32,170	31,670	0.5	2.1
<b>Goods-Producing Industries</b>	4,360	4,380	4,400	-0.5	-0.9
Natural Resources & Mining	10	10	10	0.0	0.0
Construction	1,820	1,820	1,750	0.0	4.0
Manufacturing	2,530	2,550	2,640	-0.8	-4.2
Food Manufacturing	450	470	460	-4.3	-2.2
Fabricated Metal Product Manufacturing	110	110	120	0.0	-8.3
Machinery Manufacturing	30	30	40	0.0	-25.0
Other Manufacturing	1,940	1,940	2,020	0.0	-4.0
<b>Service-Providing Industries</b>	27,980	27,790	27,270	0.7	2.6
Trade, Transportation & Utilities	6,640	6,650	6,660	-0.2	-0.3
Wholesale Trade	990	980	1,050	1.0	-5.7
Retail Trade	4,380	4,410	4,350	-0.7	0.7
Utilities	50	50	50	0.0	0.0
Transportation & Warehousing	1,220	1,210	1,210	0.8	0.8
Information	690	690	690	0.0	0.0
Financial Activities	1,760	1,780	1,800	-1.1	-2.2
Professional & Business Services	3,570	3,420	3,220	4.4	10.9
Educational & Health Services	2,820	2,840	3,070	-0.7	-8.1
Leisure & Hospitality	3,340	3,170	3,280	5.4	1.8
Other Services	1,290	1,290	1,210	0.0	6.6
Government Education	3,720	3,790	3,570	-1.8	4.2
Government Administration	4,160	4,150	3,780	0.2	10.1

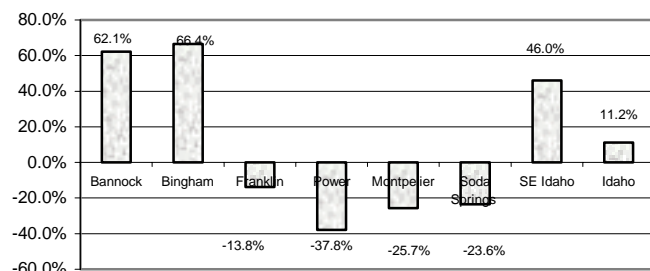
\*Preliminary Estimate

\*\*Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

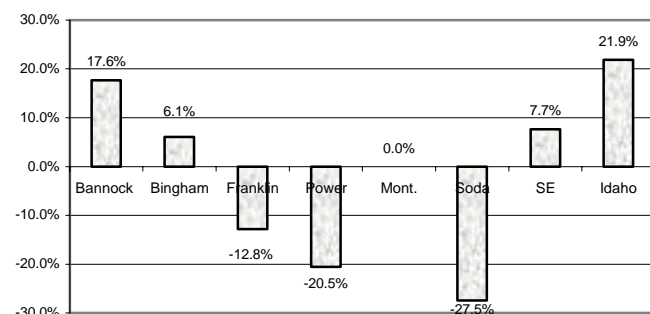
was limited to Bannock and Bingham Counties, as illustrated in **Chart 1: Change in Total Construction** on page 18, and the area's most rural counties suffered decreased construction activity. The large increase in construction activity was driven mainly by nonresidential construction, which increased over 200 percent compared to nearly 8.0 percent in residential construction. **Chart 2: Change in Residential Construction** and **Chart 3: Change in Nonresidential Construction** on page 18 show that Bannock and Bingham Counties drove increased area construction. During the first half of 2003, rural counties were unable to take advantage of record-low interest rates to boost their economies.

The change in Southeast Idaho's construction activity during the first half of 2003 over the first half of 2002 (46 percent) outpaced the change in

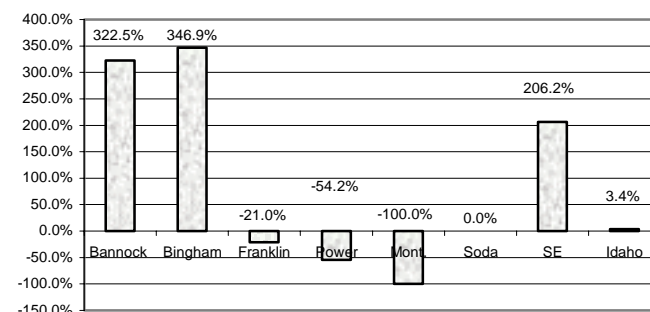
Southeast Idaho Chart 1: Change in Total Construction  
2002-2003 Percentage Change



Southeast Idaho Chart 2: Change in Residential Construction



Southeast Idaho Chart 3: Change in Nonresidential Construction



construction statewide (11.2 percent). The state's increased residential construction activity (21.9 percent) outpaced Southeast Idaho's 7.7 percent by a wide margin. But the big difference occurred in increased nonresidential construction in Southeast Idaho (206 percent) compared to the statewide increase (3.4 percent).

## AREA ECONOMIC DEVELOPMENTS

*Please note: Information contained in this section is obtained from area newspapers, local Job Service offices, trade publications, local area Chambers of Commerce publications, and other sources.*

- Installation of approximately 91 miles of a new natural gas pipeline throughout Southeast Idaho began in September. The project, which includes five miles through Pocatello and 11 miles through Soda Springs, brought approximately 90 jobs to the area.

Construction disrupted golf at three courses, two in Pocatello and one in Soda Springs, and included some residential areas. The new pipeline will increase the flow of natural gas to the Northwest United States.

### Bannock County

- AMI Semiconductor, headquartered in Pocatello, offered shares of the company to the public in an introductory public offering. The offering, listed with NASDAQ, is expected to raise approximately \$500 million in new capital and will put the company as well as Pocatello in the national spotlight. Shares have sold between \$18 and \$22 each since the offering began.
- Hullabaloo Music Machine and Karaoke opened in Pocatello. The new business provides a wide variety of music with a state-of-the-art sound system for special events such as weddings, dances, reunions, and fundraisers.

### Bear Lake County

- In the city of Montpelier, local businesses are taking advantage of local history to boost tourism. A \$1 million revitalization project, aimed at making downtown Montpelier more attractive to tourists, included new sidewalks, trees, streetlights, and a cobblestone median. The project was funded by the formation of a Business Improvement District and matching grant money. A "Bears Everywhere" theme was adopted by businesses in the community and bears of all types are being placed outside businesses. Approximately 700,000 people travel through Montpelier annually, and the business community hopes to lure some of those travelers into the city.

### Bingham County

- Record crowds attended the 101<sup>st</sup> Eastern Idaho State Fair in Blackfoot in September. Fair organizers estimated this year's attendance exceeded last year's attendance of 203,000. The fair boosts employment by more than 100 workers for the week of the fair.
- Bingham Memorial Hospital opened a new spine center in August. The \$1 million state-of-the-art center includes a spine operating room with the newest technology and equipment.
- A new business park in Firth has attracted three businesses. The 10,000-square-foot business park was developed by a partnership between private industry, the State of Idaho, and the City of Firth. The state provided a \$500,000 infrastructure upgrade, the city paved the main street and parking area, and Killpack Enterprises invested \$1 million in the business park. Three businesses—a medical

*Continued on page 23*

eral more times, most recently last year when the state fell into a budget crisis and such projects were frozen. In May the Idaho Legislature, backed by Governor Dirk Kempthorne, approved the use of state bonds to finance the center and nine other building projects throughout the state. The multi-purpose activity center project is expected to take two years to complete and will be built in two phases. The completed center will include three full-sized basketball courts, weight-training rooms, seven classrooms, and the capacity to house large sporting and entertainment events.

- A ribbon cutting in September opened a new road in Lewiston's Business and Technology Park, marking the completion of infrastructure at the site. The one-mile stretch of Juniper Drive runs between Royal Plaza Care Center and the new Nez Perce Plaza shopping center. It winds past the site of Interventional Pain Consultants clinic, which will be the park's first tenant. The clinic, the practice of four Lewiston-Clarkston Valley anesthesiologists, is under construction. The business and technology park grew from Valley Vision's efforts to recruit new employers to the area. The project cost \$2.2 million,

with \$1.8 million provided by federal grants. The remainder was a mix of city, county, and port money. Juniper Drive now has three lanes, one each for northbound and southbound traffic, plus a turning lane and sidewalks on both sides. The infrastructure work included lines for water and sewer, and a conduit for high-speed fiber optic cable. Trees will be planted along paths and throughout the park to create a pleasant setting for workers and visitors. Interventional Pain Consultants will employ between 12 and 15 people. Although plans have been delayed several times, Regence BlueShield of Idaho also plans to locate there with as many as 500 workers, representing a mix of employees who will move from another Lewiston location and people hired for new positions. The latest plan calls for Regence's 55,000-square-foot building to open in the summer of 2005.

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## Southeast Idaho News – (continued from page 18)

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clinic, a photocopy business, and an optometrist—have committed to lease space at the business park, and developers hope to attract three other businesses.

### Caribou County

- A grand opening celebration was held for Xpress Cash's new office in Soda Springs. The office is located at 316 West Second South and offers payday and title loans and check cashing services.
- The U.S. Bureau of Land Management approved Agrium's expansion plan at North Rasmussen Ridge, a phosphate mine located northeast of Soda Springs. Agrium plans to extend their mine operations to the north onto U.S. Forest Service and state property. The approval includes reclamation of the Central Rasmussen Ridge Mine.

### Oneida County

- The Oneida County Library's remodeling project, which began in the spring of 2002, was completed

this summer. Projects recently completed were the addition of new countertops, storage, sod, and a sprinkling system, and removal and resurfacing of the parking lot asphalt.

### Power County

- After 35 years of business in American Falls, Larsen's Paint & Glass will close. The business will conduct a liquidation sale and final closing of the store will occur within a few weeks. The store is closing because owners John and Carma Larsen are retiring.

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